



Vendor Guide

2019

TRANSNATIONAL FOODS

Transnational Foods is a key player in manufacturing and sourcing South American products. We started delivering South America's finest foods to the U.S. in January of 2002. Since that time, we have gained a significant presence in the U.S. food industry as a supplier of store brands, distributor brands, and our own brands of product.

OUR VISION

“Be the most reliable global sourcing company providing the US market with cost competitive quality foods products”

OUR MARKET

We market our products through five channels of distribution:

- Supermarket Retailers
- Grocery wholesalers
- Food Service Distributors
- Food Manufactures
- Specialty Food Distributors

Through these channels we offer more than 200 skus under our **“Pampa”**, **“So Natural”**, **“Della Natura”**, **“Tummy Treats”** brands. Pampa products are represented across food categories including, canned seafood, canned vegetables, peanut butter and preserves, canned meats, olives and peppers, dry cereal and breakfast bars, tomatoes, vegetable oil, Olive oils, blended oils among others. We are Kosher certified on most of our products.

Private label is a large part of most retailers go to market strategy. **Transnational Foods** offers private label programs based on the customer's needs and volume commitment.

Transnational Foods is proud to be a vendor partner to many of the top retailers, wholesalers, and distributors throughout the U.S.

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I. LISTING OF CONTACTS

Miami, USA (Headquarters)

1110 Brickell Ave suite 808
 Miami, FL 33131
 Corporate Phone Number +1 (305) 365-9652
 Fax Number +1 (305) 860-9334

Buenos Aires, Argentina

Cabello 3627 piso 12 "A"
 Capital Federal (1425)
 Phone Number (+54-11) 4806-5928
 Fax Number (+54-11) 4806-5928

PRESIDENT & CEO

Name	Title	Phone	E-mail
Marcelo Young	President & CEO	(305) 365-9652 Ext: 225	myoung@tfinc.com

VENDOR PERFORMANCE -Guide

Name	Title	Phone	E-mail
Juan Iribarne	CFO	305) 365-9652 Ext: 211	jiribarne@tfinc.com

LOGISTICS - Ocean Freight

Name	Title	Phone	E-mail
Juan Carlos Serio	BA - Office Manager	(305) 365-9652 Ext: 237	jcserio@tfinc.com

LOGISTICS – Imports

Name	Title	Phone	E-mail
Patricio Canalda	Import Manager	(305) 365-9652 Ext: 215	pcanalda@tfinc.com

LOGISTICS - US Domestic Transportation

Name	Title	Phone	E-mail
Michael Gleicher	Logistics Analyst	(305) 365-9652 Ext: 226	mgleicher@tfinc.com

Merchandising

- To contact your customer Representative, Call Corporate Office 305-365-9652

Product Development

Name	Title	Phone	E-mail
Ignacio Sangronis	CMO	(305) 365-9652 Ext: 203	isangronis@tfinc.com
Oscar Perez-Zabala	VP Sourcing	(305) 365-9652 Ext: 224	opzabala@tfinc.com

Accounts Payable

Name	Title	Phone	E-mail
Tamara Rodriguez	Accounts Payables	(305) 365-9652 Ext: 209	trodriguez@tfinc.com

QA Department

Name	Title	Phone	E-mail
Daniela Innamorato	Food Safety / Quality & Reg. Compliance Director	(305) 365-9652 Ext: 228	dinnamorato@tfinc.com
Ana Russo	QA Specialist	(305) 365-9652 Ext: 274	arusso@tfinc.com

Purchasing

Name	Title	Phone	E-mail
Joaquin Saravia	Supply Chain Specialist	(305) 365-9652 Ext: 214	jsaravia@tfinc.com

Certificate of Insurance

Name	Title	Phone	E-mail
Juan Iribarne	CFO	(305) 365-9652 Ext: 211	iribarne@tfinc.com
Tamara Rodriguez	Accounts Payables	(305) 365-9652 Ext: 209	trodriguez@tfinc.com

EDI Contact

Name	Title	Phone	E-mail
May Sanchez	Accounts	(305) 365-9652 Ext: 223	msanchez@tfinc.com

Category Managers

Name	Title	Phone	E-mail
Ignacio Sangronis	CMO	(305) 365-9652 Ext: 203	isangronis@tfinc.com
Americo Preneste	COO	(305) 365-9652 Ext: 205	apreneste@tfinc.com

You will be contacted by any of the category Managers above depending on the product supplied.

DISTRIBUTION CENTERS

Hours of Operation 7:00 AM – 4:30 PM Local Time Mon – Fri

Location	Landlord	Address	Contact	Phone #	Email
Houston	Lone Star Integrated Distribution	960 Pleasentville Road, Houston, TX 77029	Sandra Fortner	713.227.2381	sandra.fortner@lsid.com
Bell Gardens	RH Services	5930 Shull St, Bell Gardens, CA 90201	Roger Hernandez	562.776.5206	roger@rhservicesinc.com
Grand Rapids	Columbian Logistics Network	900 Hall St, Grand Rapids, MI 49503	Kevin Kelly	616.514.6014	kevkel@columbian.us
Laredo Texas	Latin Foods Logistics, LLC	8550 San Gabriel Dr , Laredo, TX 78045	Gladis Leal	956.724.4877	gladis.leal@latinfoodslogistics.com
Miami	Gambit Logistic	10243 NW 62nd Street, Miami FL 33178	Fernando Medina	305.477.5102	fmedina@gambitusa.com
New Jersey	GSCS	474 Wilson Avenue, Newark, N.J. 07105	Frank Totorice	973.270.253	frank@gscoldstorage.com
Chesapeake	TF Warehouse	1920 Campostella Rd, Chesapeake, VA 23323	Luke Speno	757.827.6962	lspeno@tfinc.com

II. TRANSNATIONAL FOODS GLOSSARY

ETA (Estimated Time of Arrival) - The date the merchandise is expected to arrive at the appropriate Transnational Foods distribution center.

Core - Items carried every day in Transnational Foods' product line and are reordered monthly.

EDI - Electronic Data Interchange, an electronic method of exchanging information such as purchase orders and invoices.

Domestic Purchases Only-Freight Terms - 1) FOB Collect – Transnational Foods is responsible for transportation coordination, content, and cost, 2) Freight Prepaid – The vendor is responsible for the transportation coordination, content, and cost.

Non-Core - Items such as seasonal or closeouts not carried in the Transnational Foods product line on a daily basis.

Order Date - The date the purchase order was written.

Perishable Items - Items that require date coding.

Purchase Order Number - A unique number assigned by Transnational Foods to the purchase order.

Ship date - Date vendor is expected to ship.

Ship Point - Vendor address from which the shipment will originate.

Ship to Address - The name and address of the port in the US to which merchandise is to be shipped.

SKU - Stock Keeping Unit, a six-digit number assigned to all Transnational Foods merchandise.

FSP - Food Safety Plan.

REPOSITRAK - provides Internet-based solutions for food, drug, and dietary supplement retailers, wholesalers, and suppliers. It focuses on offering compliance management, and track and trace solutions for food safety.

NIF - New item form.

III. NEW PRODUCTS

1. NEW PRODUCT/ LABEL AND VENDOR QUESTIONNAIRE:

- I. New Item Form (NIF)**, will be sent to be fully completed. The form needs to be sent or resent in any of the following circumstances:
- starting the business relationship (one per product)
 - when new products are presented
 - if there are changes in the product formula or in the regulations.

The NIF includes the following fields:

- a. Vendor/ Facility Information
- b. Product Characteristics
- c. Contact Information
- d. FDA Facility Information
- e. Product Characteristics
- f. Nutrition Facts (From a Nutritional Analysis)
- g. Food Safety Compliance
- h. Microbiological Values
- i. Label Information (claims – warnings – etc.)
- j. Physical and Chemical Characteristics
- k. Shelf life, Storage & cooking recommendations.
- l. Packing Details & Vendor logistics Information.
- m. Vendor Approval.
- n. Label Specifications (Label and Packing Dieline)

Note: The (NIF) needs to be fully complete.

Important - This document need to be return in 1 week or lees, after receiving the form.

Note: Do not leave any cells without completion. If the question does not apply to your particular product you must enter “N/A” showing the cell was not left blank by omission.

Important

A container optimization is performed based on the measures and weights supplied by Vendor on the NIF. If the measures and/or weights supplied are wrong or inaccurate. The result would be a poor load optimization, consequently your company will be assessed an “Incorrect NIF Information Fee” of \$2,000.

- II. Product Samples** You will receive a (email / link) with our label (either Pampa or Private Label). All vendors are expected to provide samples (2 cases) of a new product to the Transnational Foods Buyer. These samples should meet the size, weight and pricing requirements as negotiated with the Buyer. For example, if the Buyer negotiates with a vendor to purchase 12-ounce cans of tomatoes priced 2 for a dollar, the sample should be a 12-ounce can of tomatoes priced 2 for a dollar, not

a 6-ounce can of tomatoes priced fifty cents. If you have any questions regarding product samples, please contact your Buyer.

- III. Product Images** All vendors are expected to provide live samples of a new product to our image-processing department. These samples should reflect the exact dimensions and packaging of the final production product. All items submitted for imaging must include UPC code and the Transnational Foods lot number clearly identified on the bottom of the sample. It is particularly important that samples submitted reflect the packaging that is planned to be shipped to Transnational Foods. Mock-ups must be identical in size to the production product; Mock-ups must reflect the packaging look **of** the production product; Production product must be sent to Transnational Food's offices to replace the mock-up as soon as feasible.

If you have any questions or need information regarding product imaging contact **Dolores Ruiz Ferrero** at drferrero@tfinc.com Phone Number: (+54) 11 4806-5928 / +1 (305) 365-9652 x 236.

- IV. Nutricional Analysis Lab Testing** the Nutritional Analysis Lab Testing confirms the values provided on the product specification or packaging (Nutritional Facts Panel) are correct prior to printing the final packaging. Every new food item requires Nutritional Analysis at the start, and biannually for continuing items. Lab tests shall be performed at food testing laboratories designated by Transnational Foods. Laboratory will test the product and provide a report of the actual values that need to be contained on the Nutritional Facts Panel. All costs associated with the Nutritional Analysis are the responsibility of the Vendor.
- V. Product Laboratory Testing** To demonstrate product safety, quality and compliance, all items supplied to Transnational Foods require laboratory testing. Laboratory testing shall be conducted on samples that are randomly selected by Tansnational Foods. All items require at least one laboratory testing per year. Certain products or product categories may require additional testing. All costs associated with laboratory testing are the responsibility of Vendor.
- VI. Product Laboratory Resting Failures** for laboratory testing failures are managed by the QA Department.

Sample Instructions: Please ensure that samples are shipped in sturdy boxes to maintain product and packaging integrity.

If the products are perishable: Package all products in dry ice for shipping.

If the products are breakable: Package each product in bubble wrap, peanuts, shredded paper, etc.

To avoid damages, Loads must be securely braced. Also, must be completely covered with cardboard sheets and protected with desiccants bags to avoid condensation damages.

- VII. The Transnational Foods NIF must be included with your shipment.** (Please ask for an example copy of this form).

IV. CERTIFICATE OF LIABILITY INSURANCE

All Vendors must keep in force and effect Comprehensive General Liability Insurance, including product liability and contractual liability coverage with minimum primary policy limits of not less than one million dollars (\$1,000,000) per occurrence, and with a minimum aggregate limit of not less than two million dollars (\$2,000,000). In the event the general liability policy has a limit less than \$1,000,000 per occurrence, \$2,000,000 aggregate, the requested sum may be provided via an umbrella or excess liability policy.

The insurance policy must be written by a carrier with an A. M. Best's rating of not less than A-VIII. Some exceptions may apply and additional limits may be requested for certain products. If A. M. Best's rating is not available, a similar rating by a credible rating organization will be considered.

Policy should be in effect for no less than 18 months after the arrival date on which the last product is provided to Transnational Foods. In the event the policy expires after the order is placed, but before delivery, the policy must be renewed with similar terms and conditions as the expiring policy. Vendor shall provide Transnational Foods with current certificates of insurance and policies shall contain a provision that there will be no cancellation, reduction or non-renewal in coverage without first giving Transnational Foods 30 days' prior written notice.

Transnational Foods must be name as certificate holder or additional insured in the policy.

Vendors failing to submit a certificate of insurance will be considered non-compliant and risks the interruption of orders, or being discontinued as a Transnational Foods vendor.

Please send all proof of insurance to:
Tamara Rodriguez: trodriquez@tfinc.com and
Juan Iribarne: jiribarne@tfinc.com

VENDORS LIABILITY – Vendor's insurance shall in no way limit Vendor's liability or obligation to indemnify completely the indemnities.

V. INVOICING

Lack of adherence to invoicing standards and incorrect information results in lost time for Transnational Foods and delayed payment of invoices for our Vendors. Transnational Foods requires vendors to comply with the invoicing guidelines set forth below to ensure timely and accurate payment of invoices by Accounts Payable. Failure to comply with these guidelines will be considered deterioration in vendor performance and may result in a reduction in payment or a charge back.

**Mail invoices to
Transnational Foods, LLC.
1110 Brickell Ave suite 808
Miami, FL33131**

All invoices must have the following information

- Vendor name and address
- Invoice number
- Invoice date
- Transnational Foods purchase order number
- Ship to Transnational Foods Port
- Terms and due date
- Cash discount on invoice gross, when applicable
- Invoice amount detail
 - a. UPC
 - b. Item description
 - c. Quantity shipped in selling units
 - d. Cost per selling unit
 - e. Extension of cost times quantity
 - f. Invoice amount detail
- Total amount
- Net total with applied discounts where applicable

Do not bill for merchandise prior to physical shipment of merchandise.

Transnational Foods strives to pay vendors in a timely manner. Exceptions may be the result of discrepancies between the purchase order and the invoice: pricing, quantity, or terms.

Transnational Foods performs a 3-way match: purchase order, warehouse receipt, and invoice. Payment is based on the match and driven from the terms and conditions of the purchase order. To ensure prompt and accurate payment, it is imperative the information on the purchase order is verified prior to the shipment of product. Contact the Transnational Foods Customer Representative for resolution of any purchase order discrepancies prior to shipment.

Inquiries should be addressed in writing with as much supporting documentation attached to the inquiry as possible. Inquiries will be addressed in the order received, regardless of how the documentation is delivered (U.S. mail, overnight mail, fax, e-mail).

If a satisfactory response to inquiries is not received within 60 days, contact the Accounts Payable Supervisor. (Please reference the section titled **Introduction** for the Listing of Contacts.)

VI. CREDIT INFORMATION

To whom it may concern. We look forward to doing business with your company. To facilitate the set-up process, we are providing you with our company and bank information.

Company Information

Transnational Foods, LLC.

Phone: (305)-365-9652

Fax: (305) 860 -9334

Type of Business: Importer and Distributor of Food products for Retailers, Wholesaler and Distributors

Address: 1110 Brickell Ave, Suite 808, Miami, FL 33131

Type of Ownership: Corporation

D&B reference number: 12-524-4009

Federal Tax.ID: 47-4351781

Years in Business: 18

President & CEO: Marcelo Young

E-Mail: info@tfinc.com

Web site: www.transnationalfoods.com

Trade / Credit References (Domestic)

Company Name	Contact Name	Phone Number	Doing Business for
Ch robinson	Andy Hutson	(800) 428-5377	16 years
John Steer	John Sherman	(305) 858-1110	15 years
Becktron Foods	Alex Geiger	(734) 341-3817	5 years
Colombina Usa	Luz Angela Leyton	(786) 265-1920	8 years

Banking Information

Company Name	Contact Name	Phone Number	Doing Business for
Mercantil Commerce Bank	Danny Rivera	(305) 441-5570	6 years

Trade / Credit References (International)

Company Name	Contact Name	Phone Number	Doing Business for
Agd/Niza	Alejo Holzer	(+54) 11 4310-1837	18 years
Multifoods	Michael Debakey	(+511) 251-2617	10 years
Blue Bird S.A	Marcelo Sheppard	(+59) 82-200-1001	16 years
Oligra S.A	Christian Anacondio	(+54) 11 4115-6700	15 years
Catoex	Nicasio Muguira Mason	(+52 271) 714 4644	10 years

For any additional information needed please contact:

Juan Iribarne-CFO
jjiribarne@tfinc.com
(305)365- 9652

III. DOCUMENTS FOR FOREIGN SUPPLIERS VERIFICATION PROGRAMS

I. General

Food importers are responsible for the food safety of the products sold throughout the US territory. To better reflect the responsibility along the supply and distribution chain, currently, Transnational Foods, evaluates their vendors through: Food Safety Plans (FSP), Certificates of Analysis (COA), when applicable, specific document to comply to regulations like trade facilitation and trade enforcement act (TEFTEA), FDA Registration for the industry low acid or acid can food registration, and in some cases, audits.

To fulfill this activity, TF Inc. hired a Qualified Individual in Preventive Controls and Foreign Supplier verification Programs, who, in addition to other activities, evaluates that the manufacturing and other companies of chain (including, primary production, delivery and deposit), comply with the Food Safety requirements of FSMA and the complementary others.

While the FSMA rules include and recognize safety programs such as HACCP for Fish / low acid canned food regs. / Juices / NCIMS dairy), in TF, Inc. we extended the requirement to risk analysis based in preventive controls.

FSMA exceeds the scope and covers other regulations of the Code of Federal Regulations (CFR), which in some cases have been amended to observe compliance with the law, for example: 21 CFR Part 101 - Food Labeling: Revision of the Nutrition and Supplement Facts Labels (CFR, Title 21, Parts 70 to 82 sections 601,706- 201,402 and other) for color additives.

II. FSMA Documents Required

At Transnational Foods Inc., the rules of the Food Modernization Act (FSMA) are controlled as follows:

All companies that want to work with TF, Inc., including the companies of juices, fish and milk must:

I. Upload a food safety plan in English with the following contents:

- a.** Facility Information
- b.** Preliminary Steps (Company overview – Food Safety Team – Product and process description)
- c.** Good Manufacturing Practices (GMP) & Prerequisite Programs
- d.** Hazard Analysis & Preventive Controls Determination
- e.** Process Preventive Controls
- f.** Food Allergen Preventive Controls
- g.** Sanitation Preventive Controls
- h.** Supply-Chain Preventive Controls
- i.** Recall Plan
- j.** Reanalysis of Food Safety Plan
- k.** Recordkeeping Procedures
- l.** Signature and Date
- m.** Manufacturer's Preventive controls Quality Individual Training Certificate.

Note: the food safety plan is one per plant, but the hazard analysis and control activities are specific for each product, except for those that, due to the similarity of their characteristics, can be grouped.

- B.** Once, in TF., the safety plan reviewed is carried out, and when it is applicable, requests of support documents or records, for example: "pesticide-free" certificates of analysis, pasteurization validation studies, industrial sterilization, as well as records of the verification of allergen controls or other useful to prove the food safety.
- C.** In parallel and for each product, TF, Inc. requests a nutritional certificate of analysis and evidences of the "claims" in order to design the label presentation, in accordance with the regulation CF 21, that comes into force in January 1, of 2020 but that our clients, request compliance by the end of 2018 and in some cases until the middle of 2019.

Note: Labels Claims in order to be added to the labels, require evidence to prove the statement that you want to add to the label. If it is not possible to have third-party certificate, a letter of guarantee depending the case would be considered.

III. Notification, Information Letters with Regulatory Updates or other.

You will also be receiving notification letters, mostly related with regulatory updates, or new quality requirements. In does cases, you will need to read and make sure that you comply and if so, you will sign the acknowledgment.

In some cases, you will also be required to upload some documents to Repositrak

IV. Changes in your processes including recipies, products, packaching that might affect Food safety, Social and Ethical compliance or other, should be communicate to Transnational Foods.

IV. MERCHANDICE ON HOLD/ WITHDRAWS/ RECALLS/ RETURNS/ CORRECTIVE ACTIONS

- If the vendor realizes their released product does not comply with food safety, quality or other specifications, an immediate notification needs to be sent to Food Safety, Quality & Regulatory Compliance Department (please see contact information in Page 5).
- If Transnational Foods receives overages, incorrect merchandise, mislabeled merchandise, incorrectly packed or damage merchandise, will immediately notify the vendor and will act accordingly to the scope of the failure impact extension.
- If, Transnational Foods receives a notification/ detention/ import rejection letter or similar, from a Regulatory Agency (FDA/USDA). Will immediately notify the vendor and will act accordingly to the scope of failure impact extension.
- In case of a recall, Transnational Foods will immediately notify the vendor's first contact in order to make sure that the failure's extension is well defined, as well as to assure the correct application of the Recall Procedure.

Transnational Foods will put on hold the compromised products and will do one or more of the following:

- In case of USDA/FDA intervention will notify the actions required such as 3rd party sampling / inspection / analysis or other.
- Notify the alternatives for product final disposition, including among others: returns, disposal, re- importation etc.
- Notify the costs involved as consequence the failure/s.
- Send a Corrective Action Form with defining the scope of the failure and sending pictures with the evidences found.

IX. SHIPPING DOCUMENTATION REQUIRED

It is very important to follow instructions below when completing and submitting shipping documents.

- **All data/documents (invoices, food safety and legal documents) must be completed in English.**
- Complete company name and address.
- Full description of goods must be printed (no abbreviations will be accepted). The description of the goods that can be used is included on the PO sent to you by TF.
- Our PO number must be included in all documents.
- FDA Registration Number and Address (This address and number should be of the production plant). Please note that even if the plant address is on the letterhead it should also be included under the FDA registration number.
- FDA additional data if applicable (SID, FCE#'s, Item Dimensions corresponding to the SID)
- COA, each PO must be accompanied by a Certificate of Analysis (Physical, Chemical and Microbiological) per production lot, stating that the goods are in compliance with TF's specifications and safe for the consumers based on FDA protocols. Missing this document will imply penalties **(\$500.00 per PO)** to the vendor.
- The descriptions on the invoice and B/L must be the same.
- Packing list must include expiration and/or production date.

For your reference, please check EXHIBIT A to read more about the US customs regulations regarding to the invoice.

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Please see template below of packing list that can used:
(Please print on your company letter head)

Shipper's Info
Company name:
Address:
Phone:

Invoice #

Date:

PACKING LIST

Consignee:
Transnational Foods Inc
1110 Brickell Ave, Suite 808.
Miami, FL 33131
P# (305) 365-9652

Shipment data
Vessel:
ETD:
POL:
POD:

PO#	Container#	Item Code	DESCRIPTION	Quantity	Exp Date	Batch No.	No. Pallets

A draft of all documents must be submitted to the import department for approval. If documents are incomplete and or do not meet all of the above requirements, we will refuse them and ask for revisions. Original documents (if needed) must be sent upon reception of TF approval. Please surrender B/L and instruct telex release if possible.

X. RECEIVING REQUIREMENTS

General

Transnational Foods performs quality checks on every item. To maintain product flow and accurate payment of invoices, all products must conform to purchase order agreements and the requirements listed below. When an item does not meet purchase order agreements and below requirements, a CAP Report format will be sent to the vendor representative in order to be completed according to the pertinent failure. Please note that depending on the severity of the failure a cost might be charged, find cost explanation in Schedule A.

Unloading Containers

Transnational Foods requires appointments. If the driver does not have a confirmation number and appointment time or if the confirmation number and appointment time are invalid, the driver will be directed to call his or her dispatcher. Failure to meet the appointment time assigned/requested or failure to obtain an appointment prior to delivery creates additional administrative work and can deteriorate receiving

performance. Due to this, failure to meet the appointment time assigned/requested or failure to obtain an appointment prior to delivery may result in a charge back.

Bills of Lading and Packing Lists

Transnational Foods requires the carrier or vendor to provide a legible bill of lading consigning a shipment to the proper Transnational Foods destination for each shipment. Complete and accurate bill of lading and packing list information is critical for productive and accurate receipt of product at the Warehouse and timely payment of invoices by Accounts Payable.

Vendors that do not supply a complete and accurate bill of lading and packing list will be subject to a charge back.

The bill of lading must list the following information:

1. Vendor Name and Address
2. The complete Transnational Foods Destination Address
3. Total weight and carton count
4. Transnational Foods Purchase Order Number with the associated
5. Description/Item and UPC
6. Number of cases and/or selling units shipped per SKU per P.O.
7. Ship Date
8. Total Number of Cartons on Container

Note: If it is not possible to indicate all of this information on the bill of lading, vendors must attach a copy of the packing list with this information to the bill of lading.

However, your bill of lading must include the Transnational Foods department and purchase order numbers.

Shortages/Overages

Vendors are required to ship all purchase orders as written with exact quantities requested.

Incorrect quantities slow down, and in some cases, stop the receiving process, and cause delays in payment. In addition, incorrect quantities make it difficult to maintain proper in-stock levels for our customers and maintain excellent inventory turns. Failure to ship the quantity stated on the purchase order may result in a vendor charge back.

Correct port

Transnational Foods has many ports of discharge. Failure to send the product to the appropriate port of discharge results in lost sales, decreased turns, increased labor, and increased transportation costs. It is imperative that purchase orders are shipped to the correct port.

Pallet and Slip Sheet Loads

All pallets must be 40 X 48, universal 4-way, block pallets with no indentations or protrusions that may cause product damage. Pallets must have both the front and rear running boards on top and bottom, have no more than two missing slats on top, and must not have been repaired more than once.

Pallets provided must be Class "A" or better.

Any damaged or under class "A" pallets received into our warehouses must be restacked on good pallets prior to completion of the delivery. A charge of \$25 per bad pallet will be deducted from purchase order invoice at the time of payment.

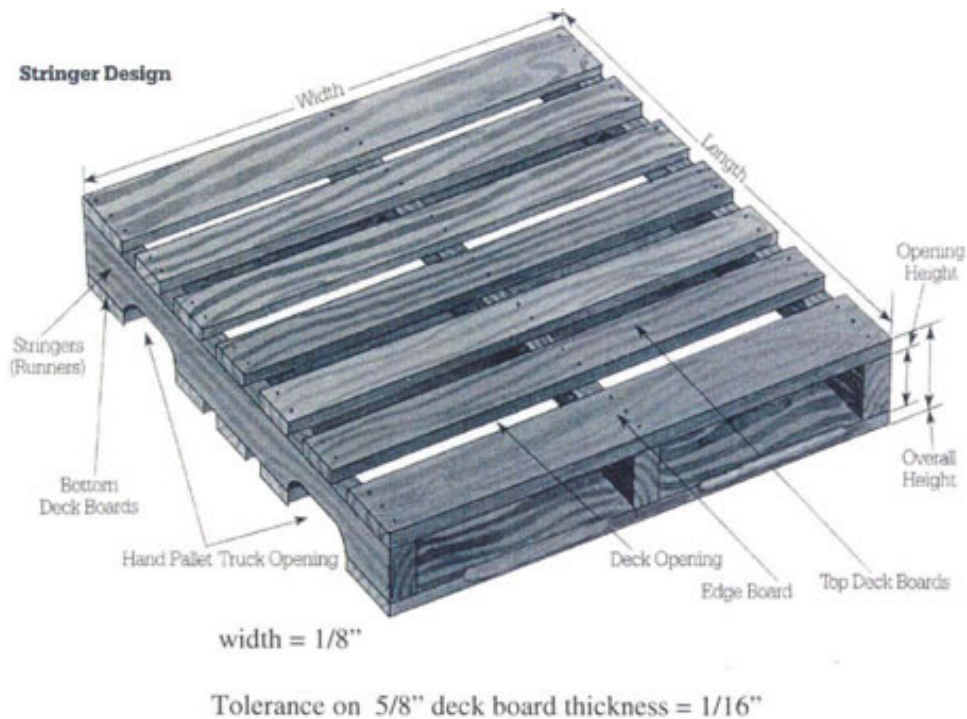
Shipping labels are to be facing out.

Transnational Foods recommends a stacking height of 62 inches. Product should not extend over the edge of the pallet and should have only one SKU per pallet. Pallet loads should not exceed 2500 pounds. Purchase orders and lots must not be mixed on a pallet or slip-sheet.

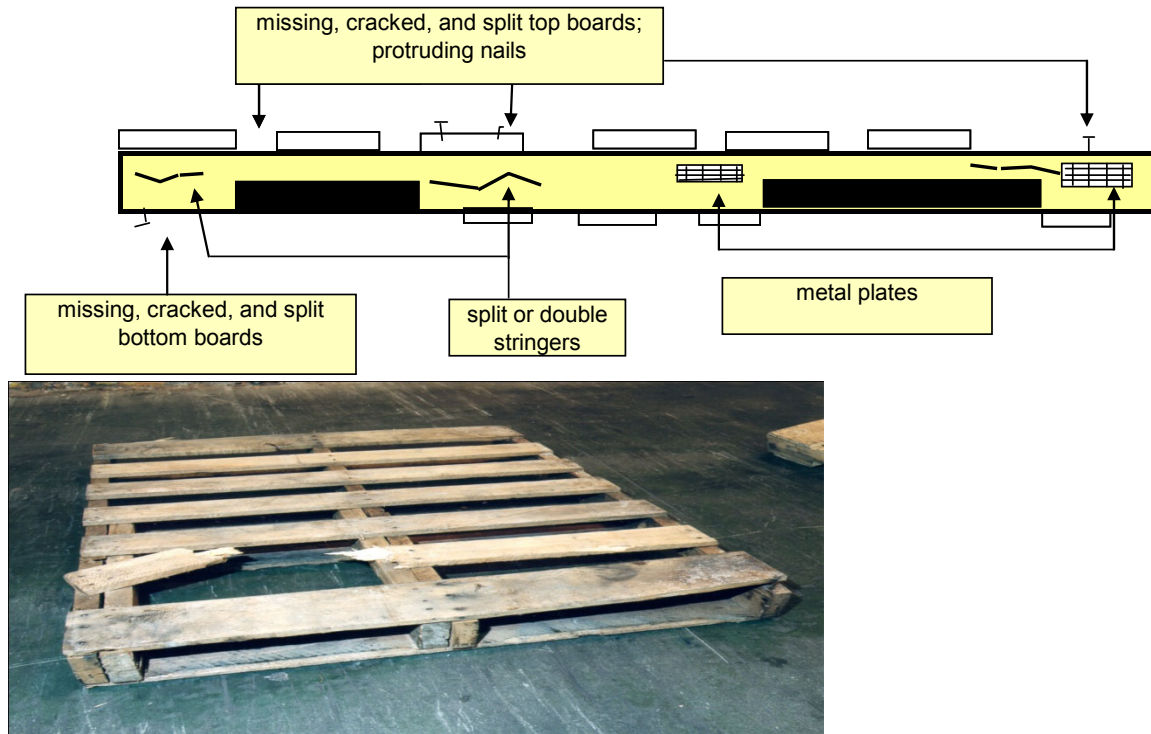
To ensure load stability and eliminate confusion at check-in, consistent interlocking pallet patterns are preferred. Column stacked loads should be stabilized with shrink-wrap and have consistent layers. The use of bands to stabilize loads is discouraged due to the increased work and safety hazards they present in the warehouses. If there is void space on the container, fill void space with air bags and/or secure load locks to secure the load.

Slip-sheet loads must be secured by shrink-wrap or tape to maintain load stability when product is slipped off.

Protective sheets should be placed on the pallet for bagged or baled products and on top when products are doubled stacked.



Example of a bad pallet
(Reasons to reject a pallet)



Floor Loads

Floor stacked product must be tied in, or column stacked and secured to prevent movement and damage. Loads must be neatly stacked. Loads that are in a mess or disarray may be refused and/or subject to a charge back. Bent or crushed cartons resulting from improperly loaded product often results in damages and/or loss of sales. Bent or crushed cartons may be refused and/or subject to a charge back.

Correct Merchandise

The merchandise received must be the same merchandise described on the purchase order.

Shelf Life

All product received must have at least 90% of its shelf life at the moment it is received into our DC. This time will start counting from the time we open the container at destination (any warehouse in the US, Mexico or Canada)

All cases will be checked at receiving and suppliers will be notified if any product is short dated. From that moment the product will be available for the supplier and kept in our facility for a reasonable time waiting for supplier's instructions.

All storage and disposal charges (if needed) will be charged to the supplier.

Labels

All product received must bear the last version of the label approved by our QA Department. Failure to comply with this requirement will lead to a “Wrong Label / Wrong Barcode Fee” of up to \$2,000 plus all charges for labor and supplies required to make the product fit for selling.

Transnational Foods may opt to return the product to the vendor if a solution may not be possible or the final re-worked product may not meet the minimum TF’s standards of quality.

These are a few examples of wrong labeling:

- a- Label fails to bear all/some claims (health, allergens, ingredients, weight, etc).
- b- Label is not readable due to poor printing (words fading, wrong ink colors, etc.)
- c- Barcode is not readable by barcode scanners.
- d- Barcode reads but does not corresponds to the product.

Glass Jars Vertical Load Resistance

Despite any other characteristics the final glass containers may have in order to assure the integrity of the product during normal handling, the following standard applies for Glass Jar packaged products your company supplies to Transnational Foods:

Minimum Glass Jar Resistance: 1,000lbs to vertical load (tested under ISO 8113:2004 Method)

Suppliers would be held responsible for any damages and other expenses resulting from supplying products in glass jars which does not meet this minimum standard.

XI. TRANSPORTATION

All purchase orders must be shipped complete as ordered by Transnational Foods. Any deviation may result in a charge back.

Full Containers (FCL) Mode

Product will need to be loaded securely to prevent any damage from occurring while in transit by using cardboard, or other packing material to brace the product tightly inside the container. All container moves will be "Shipper Load & Count". Transnational Foods will not be responsible for shortages. Should a vendor require an inspector to count at port of origin, the charges will be deducted from the vendor's invoice.

Examples of Transportation Violations

The following will be considered deterioration in vendor performance and may result in charge backs.

- **Failure to ship a purchase order complete** as written charges for logistic inefficiencies will be applied
- **Failure to ship on time** charges for Loss sales will be applied
- **Carton or product mislabeled**: additional labor, administrative, or freight charges to re-label cases. All of these will be charged back to vendor
- **Failure to properly secure and load the product** may cause a PO to be refused. If refused, a charge back will apply for any additional transportation costs. If not refused, a charge back will apply for additional labor

****** All violations are subject to a \$500 admin fee. ******

TIMELY RECEIPT OF SHIPMENTS

In order to maintain in-stock levels for our customers and sustain distribution center flow, Transnational Foods requires all shipments be received no later than the Delivery Date indicated on the purchase order. To avoid time-consuming follow up, researches, and the possibility of a charge back, please comply with these dates

All vendors should notify Transnational Foods via electronic mail no later than one month in advance of a shutdown including vacation, holidays, etc.

Important Note: Notification to Transnational Foods of shut down does not relieve the vendor of their responsibility to meet the delivery schedule.

PO confirmation

All vendors should confirm via email the receipt of each purchase order in no more than 24 hours from receipt date.

Important Note: Orders should not be confirmed by phone or by fax.

XII. LEGAL TERMS AND CONDITIONS FOR SALE OF GOODS TO TRANSNATIONAL FOODS

- i. Purchase Orders constitute a binding contract between the Vendor and Transnational Foods for the sale and purchase of the goods referenced in such Purchase Orders ("Goods") unless rejected in writing by Vendor within three (3) business days as from the order date contained in such Purchase Orders.
- ii. Transnational Foods is under no duty to inspect the Goods before resale, and payment shall not be considered acceptance and shall not bar Transnational Foods' right to revoke the Goods. Unless a signed agreement to the contrary exists, all Goods deemed by Transnational Foods to be defective shall, at the option of Transnational Foods, be deemed revoked and may be returned to Vendor and Vendor agrees to fully reimburse Transnational Foods for all costs and expenses, including Goods costs, freight costs (inbound and outbound) and any other handling charges incurred. Vendor agrees that it will, at its sole expense, remove, or otherwise make permanently illegible, all of the trademarks, trade names and other identifying information of Transnational Foods and its affiliates from all revoked Goods; and Vendor further agrees that it will not use, resell or otherwise transfer any revoked Goods to any third party without the express prior written consent of an officer of Transnational Foods.
- iii. Transnational Foods shall have no obligation to compensate Vendor for or return to Vendor any goods shipped to Transnational Foods in excess of or different from those Goods referenced in the Purchase Order, and Transnational Foods shall take title to any goods in the same manner in which it takes title to those Goods specifically ordered pursuant to the applicable Purchase Order. The per unit price of the Goods ordered under such Purchase Order shall be automatically reduced to account for all such excess or different Goods received by Transnational Foods.
- iv. In efforts to maintain solid relationships with our partners, Transnational Foods will provide a courtesy of 5 days window where ship dates can be modified at no fee. All of our partners will have 5 days from the date the PO is sent to request modifications of ship date and/or order quantities. After this period, if a PO is dropped off at the port after the requested Ship Date, the following deductions/chargeback will be enforced:

Days Late	Fee
1 – 5 days	1% of FOB value (minimum charge of USD1,000)
6 – 10 days	3% of FOB value (minimum charge of USD3,000)
> 10 days	5% of FOB value (minimum charge of USD3,000)

- v. Transnational Foods shall have the right, without notice to Vendor, to offset and/or deduct from any monies due to Vendor (related to past or future invoices) any necessary adjustments that, at the sole discretion of Transnational Foods, may be applicable for Goods deemed by Transnational Foods to be defective, in excess of or different from those Goods referenced in the applicable Purchase Order.

- vi. Vendor warrants that all Goods comply in every respect with all laws, rules and regulations of the United States of America ("USA") and each state of the USA, and were produced, manufactured, packaged and labeled in compliance with all such laws, rules and regulations. Vendor further warrants that none of the articles of food shipped or sold by it are or will be adulterated, mishandled or improperly labeled within the meaning of the Federal Food, Drug and Cosmetic Act of June 25, 1938, as amended, and the Nutrition Labeling and Education Act of 1991, as amended.
- vii. Labels and any other Transnational Foods marks and logos, including without limitation, , the following trademarks or tradenames: *So Natural*, *Transnational Foods*, *Tummy Treats*, *Della Natura*, *Pampa* and *Ali's*, are trademarks and service marks of Transnational Foods (the "Transnational Foods Marks") and are for use for and on merchandise for sale by Transnational Foods in accordance with its instructions and specifications. Any use of any Transnational Foods Marks without the prior, express, written consent of Transnational Foods is prohibited. The Vendor acknowledges Transnational Foods' exclusive rights to use the Transnational Foods Marks and agrees not to display or use them in any manner without the prior written consent of Transnational Foods.
- viii. Vendor shall indemnify, defend (at Transnational Foods' sole option) and hold harmless Transnational Foods and its affiliates from any and all liabilities, damages, costs, expenses, penalties, claims and/or suits (whether actual or alleged), including, without limitation, attorneys' and experts' fees, arising from: (a) acts or omissions of Vendor or Vendor's agents; (b) product liability claims, or claims a product causes damage or injury; or claims a product, or the product's packaging, damages the environment; (c) recall of the Goods, (d) personal injury resulting from the consumption of the Goods; (e) breach of Vendor's warranties or the terms of the applicable Purchase Order or of this Vendor Guide; (f) infringement of a third party's Intellectual property or proprietary rights, including, but not limited to, trade names, trademarks, patents and copyrights, in connection with the use, manufacture, distribution, advertising, use, sale or offer for sale of the Goods; (g) infringement of Transnational Foods' intellectual property or proprietary rights, including, but not limited to, the Transnational Foods Marks, in connection with the use, manufacture, distribution, advertising, use, sale or offer for sale of the Goods.
- ix. Transnational Foods shall have the right, without notice to the Vendor, to offset and/or deduct from any monies due to Vendor all fees and charges not expressly agreed upon in a writing signed by Vendor and Buyer and all amounts due in connection with Buyer's right to receive indemnification from Vendor.
- x. All disputes arising under the Purchase Orders or related to the Goods shall be settled in a court of competent jurisdiction located in Miami-Dade County, Florida, USA. The laws of the State of Florida, USA, shall govern all disputes. Vendor hereby irrevocably waives all objections to an inconvenient forum and lack of personal jurisdiction.
- xi. Transnational Foods being the leader in importing food products from around the globe. Majority of our products is for USA market. By signing this document, you agree that All the product shipped to USA will be in compliance with the USA Regulatory Agencies i.e. US Custom, FDA and USDA STATES and cities. Your product authenticity can be subjected for Verification/ validation. By either or all of the US Government Agencies. As much as all the regulatory agencies like to do all the inspections within the normal and expeditious manner. . At times this further verify the authenticity of the content of the product may require batteries of testing. This extended testing protocol could delay the release of the product. This delay could also impose additional cost i.e. TF - QA and logistic. Teams Members representing and communicating with regulatory agencies. Providing additional

product testing to support the authenticity of your product. All the charges for cargo on hold. Moving of cargo on hold due to the space constrains. All the potential loss of sales due to delays in product release will be charge back the vendors account.

- xii. For failure of Vendor to provide documentation in a timely manner (i.e. 5 business days from date of BL), TF shall apply Vendor a \$500 fine. Such fine shall be \$1,000 after the ship's arrival date, and \$250 for every day thereafter.
- xiii. For invoicing errors, whether in price or quantities, TF shall apply Vendor a \$250 fine. In case of delay, the fines set forth in the previous paragraph shall apply.
- xiv. For general errors in documents (such as BL, etc.), TF shall apply Vendor a \$250 fine.
- xv. For failure of Vendor to send invoices, TF shall apply a \$250 fine.

ADDITIONAL LEGAL PROVISIONS

Confidential and Proprietary Information.

In the course of working with Transnational Foods, Vendor may become aware of confidential or proprietary information from Transnational Foods. This information includes, without limitation, sales projections, sales results, strategic plans, pricing information, product category development plans, personnel issues or similar information. Vendor agrees to maintain the confidentiality of such information.

Non-Circumvention

Vendor agrees that during the course of its relationship with Transnational Foods, Vendor may learn the names and telephone numbers of manufacturers, investors, customers, vendors, clients, distributors, or buyers of Transnational Foods (hereinafter called "Contacts"). Vendor hereby acknowledges, accepts and agrees that the identities of the Contacts will be recognized by Vendor as exclusive and valuable contacts of Transnational Foods, and will remain so for the term of the Parties' contractual relationship and for a period of 3 years thereafter.

Vendor agrees to keep confidential the names of the Contacts introduced or revealed by Transnational Foods, and that their firm, company, associates, corporations, joint ventures, partnerships, divisions, subsidiaries, employees, agents, heirs, assigns, designees, or consultants will not contact, deal with, negotiate or participate in any transactions with any of the Contacts without first obtaining Transnational Food's prior written permission.

In case of circumvention, Vendor agrees and guarantees that it will pay a legal monetary penalty that is equal to the loss incurred by Transnational Foods due to such circumvention. If Transnational Foods commences legal proceedings to interpret or enforce the terms of this agreement, Transnational Foods shall be entitled to recover court costs and reasonable attorney fees.

Social and Ethical Compliance

The United States Government has prohibited the import into the United States of goods "mined, produced, or manufactured wholly or in part" by convict, forced, or indentured labor.

As per the Trade Facilitation and Trade Enforcement Act (TFTEA), which entered into force in 2016, the US has eliminated the consumptive demand exception. This amendment of US law was motivated by significant attention to the importation and sale in the United States of forced labor—produced goods such as seafood, cocoa, and cotton.

In order to comply with US Law requirements, we need all our vendors to upload in Repositrak, either i) an Ethnical or Accountability Compliance Certificate (SA 8000, SMETA, Work Compliance Audit (WCA), etc.) or ii) fulfill the form included as **Annex A** hereto.

XIII. REGULATORY AGENCIES DETENTION OR REJECTION

United States of America Regulatory Agencies are the ultimate authorities to accept or reject any shipment based on Public Safety concerns and lack of established quality metrics implemented set by US Regulatory Agencies. The acceptance criteria of any product are established in FDA and USDA. And can be viewed on their respected Websites. In the event your product shipped does not meet the regulatory establish criteria. In order to get a release from the regulatory. The product may be required to be reconditioned or simply sent back from US. In the event your product is determined to be recondition or shipped back. All the associated charges in the reconditioning or reshipping will be charge back to your account. including but not limited to all the applicable charges because of Regulatory Compliance Verifications Delays as stated in RCVA section.

XIV. GUIDANCE & REGULATIONS

The following guidance and regulations need to be considered at all times, when applicable.

Proposition 65 Notice.

Proposition 65, officially known as the Safe Drinking Water and Toxic Enforcement Act of 1986, was enacted in California 1986. The proposition protects the state's drinking water sources from being contaminated with chemicals known to cause cancer, birth defects or other reproductive harm, and requires businesses to inform Californians about exposures to such chemicals.

Under Proposition 65 businesses are required to provide a "clear and reasonable" warning before knowingly and intentionally exposing anyone to a listed chemical, unless the business can show that the anticipated exposure level will not pose a significant risk of cancer or is significantly below levels observed to cause birth defects or other reproductive harm. Food vendors are required to label the products accordingly. Therefore, Vendor must inform Transnational Foods if the products sold to Transnational Foods contain any of the listed products. For a complete list of products refer to:

<https://oehha.ca.gov/proposition-65/proposition-65-list>

Failure to inform shall be considered by Transnational Foods as a breach of express warranties by Vendor.

<https://oehha.ca.gov/proposition-65/about-proposition-65>

Color Additives

FDA has regulatory oversight for color additives used in foods, drugs, cosmetics, and medical devices. FDA lists new color additives or new uses for listed color additives that have been shown to be safe for their intended uses in the Code of Federal Regulations (CFR), conducts a certification program for batches of color additives that are required to be certified before sale, and monitors the use of color additives in products in the U.S., including product labeling.

Color additives used in foods, drugs, cosmetics, and medical devices must comply with individual listing regulations issued by FDA.

- **Color Additives Listed for Use in Food: Exempt from Certification (21 CFR73, Subpart A):**

<http://www.ecfr.gov/cgi-bin/textidx?SID=79a76b1d7e7a98ae9459d88005ab7058&mc=true&node=pt21.1.73&rgn=div5>

- **Color Additives listed for use in Food: Subject to Certification (21 CFR73, Subpart A):**

http://www.ecfr.gov/cgi-bin/textidx?SID=79a76b1d7e7a98ae9459d88005ab7058&mc=true&node=pt21.1.74&rgn=div5#_top

XV. FSMA GUIDANCE & REGULATIONS

<https://www.fda.gov/food/guidanceregulation/guidancedocumentsregulatoryinformation/default.htm>

- **Acidified and Low-Acid Canned Foods**

Food Canning Establishment Registration (Guidance for Industry):

<https://www.fda.gov/downloads/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/UCM464906.pdf>

Food Canning Establishment Registration (Form FDA 2541):

<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM076778.pdf>

Food Process Filing for Low-Acid Retorted Method (Form FDA 541d):

<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM465591.pdf>

Food Process Filing for Acidified Method (Form FDA 2541e):

<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM465593.pdf>

Food Process Filing for Water Activity/Formulation Control Method (Form FDA 2541f):

<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM465595.pdf>

Food Process Filing for Low-Acid Aseptic Systems (Form FDA 2541g):

<https://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM465598.pdf>

XVI. SUMMARY

Vendor, by accepting this Vendor Guide, agrees to and accepts all of the terms and conditions of this Guide and any and all applicable Purchase Order.

Vendor accepts the terms and conditions of this Vendor Guide or the applicable Purchase Orders by doing any of the following:

- a. Signing this Vendor Guide or a Purchase Order from Transnational Foods.
- b. Shipping any portion of the Goods referenced in a Purchase Order or otherwise fulfilling any portion of its obligations under such Purchase Order.
- c. Accepting any payment, in whole or in part, for the Goods, transportation of the Goods, or otherwise in connection with such Purchase Order or the Goods.
- d. By any other means of acceptance recognized at law or in equity.

VENDOR HEREBY WARRANTS THAT IT HAS READ, UNDERSTANDS AND AGREES TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF THIS VENDOR GUIDE, WITHOUT MODIFICATION.

XVII. ACKNOWLEDGMENT AND RECEIPT



Vendor Guide

ACKNOWLEDGMENT AND RECEIPT

I acknowledge that I have received a copy of TF's *Vendor Guide*. I agree to read it thoroughly, including the statements describing the purpose and effect of the policy. I agree that if there is anything I do not understand or agree, I will seek clarification from TF. I agree to abide by and observe all of the procedures explained therein, including future changes or additions to this policy. Please sign and date this receipt and return it to Tamara Rodriguez: trodriguez@tfinc.com

Date: _____

Signature: _____

Print Name: _____

Title: _____

Company Name: _____

Thank you very much for all your cooperation in this matter.
Truly yours,

Juan Iribarne
CFO

XVIII. ANNEX A

**Social
&
Ethical Compliance**

(Ref/ Trade Facilitation & Trade Enforcement Act)

VERIFICATION LIST

Instructions

After reading carefully the Glossary (Pages 15-17), please answer or mark (√) the questions and/or statements listed below.

Note that:

- If TF conclude there might be a non-conformity with Trade Facilitation and Trade Enforcement Act (TFTEA), we will require your organization to provide a corrective action and in case of non-compliance we may suspend business.
- We reserve the right to verify your answers and request supporting documents as evidence of completion or to enforce an audit.

CHILD LABOR			
	YES	NO	OBSERVATIONS
1.1 Does the company engage in or support the use of child labor?			
1.2 Has the organization established, documented, maintained and effectively communicated to personnel and other interested parties, written policies and procedures for remediation of child laborers?			
1.2.1 Has the organization provided adequate financial and other support to enable such children to attend and remain in school until no longer defined as a child?			
1.3 Has The organization employed young workers, that are subject to compulsory education laws?			
1.3.1 Do they work only outside of school hours?			

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1.3.2 Does the company have a mechanism to assure that under no circumstances any young school workers, between work and transportation time exceed a combined total of 10 hours per day?			
1.3.3 Does the company allow young workers, to work during night hours?			
1.4 Does the organization expose children or young workers to any situations – in or outside of the workplace – that are hazardous or unsafe to their physical and mental health and development?			
2. FORCED OR COMPULSORY LABOR RELEVANT			
	YES	NO	OBSERVATIONS
2.1 Does the organization engage in or support the use of forced or compulsory labor, including prison labor, as defined in Convention C 29 International Labor Work Organization (ILO)?			
2.1.1 Does the organization retain original identification papers and require personnel to pay ‘deposits’ to the organization upon commencing employment?			
2.2 Does the organization or any entity supplying labor to the organization withhold any part of any personnel’s salary, benefits, property or documents in order to force such personnel to continue working for the organization?			
2.3 Does the organization ensures that no employment fees or costs are borne in whole or in part by workers?			
2.4 Do personnel have the right to leave the workplace premises after completing the standard workday and be free to terminate their employment provided that they give reasonable notice to their organization?			
2.5 Does the organization or any entity supplying labor to the organization engage or support human trafficking?			

3. HEALTH AND SAFETY			
	YES	NO	OBSEVATIONS
3.1 Does the organization provide a safe and healthy workplace environment take effective steps to prevent potential health and safety incidents and occupational injury or illness arising out of, associated with or occurring in the course of work?			
3.1.1 Does the organization minimize or eliminate, the causes of all hazards in the workplace environment, based upon the prevailing safety and health knowledge of the industry sector and of any specific hazards?			
3.2 Does the organization assess all the workplace risks to new, expectant and nursing mothers including those arising out of their work activity, to ensure that all reasonable steps are taken to remove or reduce any risks to their health and safety?			
3.3 If hazards remain after effective minimization or elimination of the causes of all hazards in the workplace environment, does the organization provide personnel with appropriate personal protective equipment (PPE) as needed at its own expense?			
3.3.1 In the event of a work-related injury does the organization provide first aid and assist the worker in obtaining follow-up medical treatment?			
3.4 Does the organization appoint a senior management representative to be responsible for ensuring a safe and healthy workplace environment for all personnel and for implementing this Standard's Health and Safety requirements?			
3.5 Does the organization maintain an established Health and Safety Committee, comprised of a well-balanced group of management representatives and workers ?			

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<p>3.5.1 Unless otherwise specified by law, is there at least one worker or representative of the union that is part of the health and safety committee?</p>			
<p>3.5.2 In cases where the union(s) does not appoint a representative or the organization is not unionized, do workers appoint a representative(s) they deem appropriate?</p>			
<p>3.5.3 Are the above mentioned decisions effectively communicated to all personnel?</p>			
<p>3.5.4 Does the organization conduct formal, periodic occupational health and safety risk assessments to identify and then address current and potential health and safety hazards?</p>			
<p>3.5.5 Are records of these assessments and corrective and preventive actions taken and kept?</p>			
<p>3.6 Health and safety training is done and repeated for new and reassigned personnel, where incidents have occurred, and when changes in technology and/or the introduction of new machinery present new risks to the health and safety of personnel?</p>			
<p>3.7 Has the organization established documented procedures to detect, prevent, minimize, eliminate or otherwise respond to potential risks to the health and safety of personnel?</p>			
<p>3.7.1 Does the organization maintain written records of all health and safety incidents that occur in the main workplace and in all locations and property provided by the organization, whether it owns, leases or contracts the residences or property from a third party providers?</p>			
<p>3.8 Does the organization provide, for use by all personnel, free access to: clean toilet facilities, potable water, suitable spaces for meal breaks, and, where applicable, sanitary facilities for food storage?</p>			

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3.9 Does the organization ensure that any dormitory facilities provided for personnel are clean, safe and meet their basic needs, whether it owns, leases or contracts the dormitories from a third party provider?			
3.10 Does all personnel have the right to remove themselves from imminent serious danger without seeking permission from the organization?			
4. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING			
	YES	NO	OBSEVATIONS
4.1 Do all personnel have the right to form, join and organize trade union(s) of their choice and to bargain collectively on their behalf with the organization?.			
4.1.1 Does the organization respect this right and effectively inform personnel that they are free to join a worker organization of their choosing without any negative consequences or retaliation from the organization?			
4.1.2 Does the organization interfere in any way with the establishment, functioning or administration of workers' organization(s) nor collective bargaining?			
4.2 In situations where the right to freedom of association and collective bargaining are restricted under law, does the organization allow workers to freely elect their own representatives?			
4.3 Does the organization ensure that union members, representatives of workers and any personnel engaged in organizing workers are not subjected to discrimination, harassment, intimidation or retaliation for being union members, representative(s) of workers or engaged in organizing workers, and that such representatives have access to their members in the workplace?			

5. DISCRIMINATION			
	YES	NO	OBSEVATIONS
5.1 Does the organization engage or support discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on race, national or territorial or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or any other condition that could give rise to discrimination?			
5.2 Does the organization interfere with the exercise of personnel’s rights to observe tenets or practices or to meet needs relating to race, national or social origin, religion, disability, gender, sexual orientation, family responsibilities, union membership, political opinions or any other condition that could give rise to discrimination?			
5.3 Does the organization allow any behavior that is threatening, abusive, exploitative or sexually coercive, including gestures, language and physical contact, in the workplace and in all residences and property provided by the organization, whether it owns, leases or contracts the residences or property from a third party provider?			
5.4 Does the organization subject personnel to pregnancy or virginity tests under any circumstances?			
6. DISCIPLINARY PRACTICES			
	YES	NO	OBSERVATIONS
6.1 Does the organization treat all personnel with dignity and respect?			
6.1.1 Does the organization engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel?			
6.1.2 s Harsh or inhumane treatment allowed?			

7. WORKING HOURS			
	YES	NO	OBSERVATIONS
7.1 Does the organization comply with applicable laws, collective bargaining agreements (where applicable) and industry standards on working hours, breaks and public holidays?			
7.1.1 Does normal work week, including overtime, does not exceed 48 hours?			
7.2 Is personnel provided with at least one day off following every six consecutive days of working?			
7.3 All overtime work is voluntary?			
7.3.1 12 hours per week, overtime exceed is not requested on a regular basis			
7.4 In cases where overtime work is needed in order to meet short-term business demand and the organization is party to a freely negotiated collective bargaining agreement representing a significant portion of its workforce, does the organization require such overtime work in accordance with such agreement?			
7.4.1 Does such agreement comply with the other requirements of this Working Hours element?			
8. REMUNERATION			
	YES	NO	OBSERVATIONS
8.1 Does the organization respect the right of personnel to a living wage and ensure that wages for a normal work week, not including overtime? Does it always meet at least legal or industry minimum standards, or collective bargaining agreements (where applicable)?			
8.1.1 Are wages sufficient to meet the basic needs of personnel and to provide some discretionary income?			

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8.2 Does the organization make deductions from wages for disciplinary purposes?			
8.2.2 Is there a freely negotiated collective bargaining agreement in force that permits this practice?			
8.3 Does the organization ensure that personnel's wages and benefits composition are detailed clearly and regularly to them in writing for each pay period?			
8.3.1 Does the organization lawfully render all wages and benefits due in a manner convenient to workers, and in no circumstances in delayed or restricted forms, such as vouchers, coupons or promissory notes?			
8.4 Is all overtime reimbursed at a premium rate as defined by national law or established by a collective bargaining agreement?			
8.4.1 In countries where a premium rate for overtime is not regulated by law or there is no collective bargaining agreement, personnel are compensated for overtime at the organization's premium rate or at a premium rate equal to prevailing industry standards, whichever is higher?			
8.5 Does the organization use labor-only contracting arrangements, consecutive short-term contracts and/or false apprenticeship or other schemes to avoid meeting its obligations to personnel under applicable laws and regulations pertaining to labor and social security?			
9.1 POLICIES, PROCEDURES, AND RECORDS			
	YES	NO	OBSERVATIONS
9.1.1 Are policies, procedures and statements written in all appropriate languages?			
9.1.2 Does Social & Ethical Program policy include the organization's commitment with the program and with ILO agreements?			

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9.1.3 Does the policy statement also commit the organization to comply with: national laws, other applicable laws and requirements to which the organization subscribes?			
9.1.4 Is the policy statement prominently and conspicuously displayed, in appropriate and comprehensible form, in the workplace and in residences and property provided by the organization, whether it owns, leases or contracts the residences or property from a third party provider?			
9.1.5 Does the organization develop policies and procedures to implement the Social and Ethical Program ?			
9.1.6 Are these policies and procedures effectively communicated and accessible to personnel in all appropriate languages?			
9.1.7 Are these communications clearly shared with customers, suppliers, sub-contractors and sub-suppliers?			
9.1.8 Does the organization maintain appropriate records to demonstrate conformance with Social & Ethical Program (SEP) implementation?			
9.1.9 Does the organization regularly conduct management reviews of its policies and procedures ?			
9.1.10 Does the organization make its policy statement publicly available in an effective form and manner to interested parties, upon request?			
9.2 IDENTIFICATION AND ASSESSMENT OF RISKS			
	YES	NO	OBSERVATIONS
9.2.1 Does the Social and Ethical Program (SEP) team conduct periodic written risk assessments to identify and prioritize the areas of actual or potential non-conformance?			

9.2.2 Are recommend actions given to Senior Management to address these risks?			
9.2.3 Are actions to address these risks prioritized according to their severity?			
9.2.4 Does the SEP team conduct these assessments based on their recommended data and data collection techniques and in meaningful consultation with interested parties?			
9.3 COMPLAINT MANAGEMENT AND RESOLUTION			
	YES	NO	OBSERVATIONS
9.3.1 Does the organization have an established written grievance procedure that is confidential, unbiased and non-retaliatory.			
9.4 CORRECTIVE AND PREVENTIVE ACTIONS			
	YES	NO	OBSERVATIONS
9.4.1 Does the organization have procedures for the prompt implementation of corrective and preventive actions.			
9.4.2 Does the organization provides adequate resources for the implementation of corrective and preventive actions?			
9.4.3 Does the SEP team maintain records, including timelines and lists of non-conformances related to the SEP, their root causes, the corrective and preventive actions?			
9.5 TRAINING AND CAPACITY BUILDING			
	YES	NO	OBSERVATIONS
9.5.1 The organization has implemented a training plan for all personnel to effectively implement the Social and Ethical Program.			
9.5.2 During the training the organization reports the results of risk assessments.			

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9.5.3 Does the organization periodically measure the effectiveness of training and record their nature and frequency?			
9.6 MANAGEMENT OF SUPPLIERS AND CONTRACTORS			
	YES	NO	OBSERVATIONS
9.6.1 Does the organization conduct due diligence on its suppliers/subcontractors, private employment agencies and sub-suppliers' compliance with the Social and Ethical Program?			
9.6.2 If the organization have home workers, is there an established level of protection offered that is equivalent to that of in-house workers?			

Company Name:

Organization Social and Ethical Program

Senior Manager: _____

Name: _____

Signature: _____

Date: _____

Organization Social and Ethical Program

Workers Representative: _____

Name: _____

Signature: _____

Date: _____

GLOSSARY

➤ GENERAL ABBREVIATIONS

TF: Transnational Foods

SEP: Social & Ethical Program.

SEPT: Social & Ethical Program Team.

IWO : International Work Organization

➤ CHILD LABOR

Child: any person under 15 years of age, unless the minimum age for work or mandatory schooling is higher by local law, in which case the stipulated higher age applies.

Child labor: any work performed by a child younger than the age(s) specified in the above definition of a child, except as provided for by ILO recommendation 146.

Remediation of child laborers: all support and actions necessary to ensure the safety, health, education and development of children who have been subjected to child labor, as defined above, and whose work has been terminated.

Young worker: any worker under the age of 18 but over the age of a child, as defined above.

➤ FORCED OR COMPULSORY LABOR

Forced or compulsory labor: All work or service that a person has not offered to do voluntarily and is made to do under the threat of punishment or retaliation or that is demanded as a means of repayment of debt.

Human trafficking: The recruitment, transfer, harboring or receipt of persons, by means of the use of threat, force, deception or other forms of coercion, for the purpose of exploitation.

➤ HEALTH AND SAFETY

Risk Assessment: A process to identify the health, safety and labor policies and practices of the organization and to prioritize associated risks.

➤ FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Worker organization: An autonomous voluntary association of workers organised for the purpose of furthering and defending the rights and interests of workers.

Collective bargaining agreement: A contract specifying the terms and conditions for work, negotiated between the organization (e.g. employer) or group of employers and one or more worker organization(s).

➤ WORKING HOURS

Collective bargaining agreement: A contract specifying the terms and conditions for work, negotiated between the organization (e.g. employer) or group of employers and one or more worker organization(s).

Worker organization: An autonomous voluntary association of workers organised for the purpose of furthering and defending the rights and interests of workers.

➤ **REMUNERATION**

Living Wage: The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family.

Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing, and other essential needs including provision for unexpected events.

➤ **POLICIES, PROCEDURES, AND RECORDS**

Interested parties: An individual or group concerned with or affected by the social performance and/or activities of the organization.

Social performance: The organization's achievement of full and sustained compliance with Social and Ethical Program

➤ **IDENTIFICATION AND ASSESSMENT OF RISKS**

Risk assessment: A process to identify the health, safety and Labor policies and practices of the organization and to prioritize associated risks.

➤ **EXTERNAL VERIFICATION AND STAKEHOLDER ENGAGEMENT**

Stakeholder engagement: The participation of interested parties, including but not limited to the organization, trade unions, workers, worker organizations, suppliers, contractors, buyers, consumers, investors, NGOs, media and local and national government officials.

➤ **CORRECTIVE AND PREVENTIVE ACTIONS**

Non-conformance: Non-compliance with a requirement.

Corrective action: Action to eliminate the cause(s) and root cause(s) of a detected non-conformance. Note: Corrective action is taken to prevent recurrence.

Preventive action: Action to eliminate the cause(s) and root cause(s) of a potential non-conformance. Note: Preventive action is taken to prevent occurrence.

➤ **TRAINING AND CAPACITY BUILDING**

Personnel: All individuals employed or contracted by the organization, including but not limited to directors, executives, managers, supervisors, workers and contract workers such as security guards, canteen workers, dormitory workers and cleaning workers.

➤ **MANAGEMENT OF SUPPLIERS AND CONTRACTORS**

Home worker: A person who is contracted by the organization or by its supplier, sub-supplier or subcontractor, but does not work on their premises.

Private employment agency: Any entity, independent of the public authorities, which provides one or more of the following Labor market services: a. Matching offers of and applications for employment, without the agency becoming a party to the employment relationship(s) which may occur; b. Employing workers with a view to making them available to a third party entity, which assigns their tasks and supervises the execution of these tasks.

Supplier/subcontractor: Any entity or individual(s) in the supply chain that directly provides the organization with goods or services integral to, utilized in or for the production of the organization's goods or services.

Sub-supplier: Any entity or individual(s) in the supply chain that provides the supplier with goods and/or services integral to, utilized in or for the production of the supplier's or the organization's goods or services.

Significant risk: one that has a high likelihood of occurring and/or would have a highly severe impact if it did occur.

Reasonable effort: targeted actions intended to make the most measurable improvements, balanced by the type, size, influence, resources and leverage of the organization.

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